

GUIDELINES FOR THE BUDGET PRESENTATION (*All applicants*)

This section explains what kind of information is required to support the Form 424A budget which will enable reviewers to make determinations as to allowability (as defined by OMB Circulars A-122, A-87, A-21 and program statutes), allocability and reasonableness. Non-Federal revenue information will be analyzed for reasonableness (e.g., relative to past experience; current reimbursement rates; projections of State, local and other operational funding, such as whether or not a State grant program will continue).

Applicants should present budgets consistent with the identified Federal funding range available as announced and should be prepared for a 12 month period of funding.

1. Form SF 424A, Sections A-F

a. Budget Summary, SF 424A, Section A

Section A should summarize proposed financial resources for the entire project. Amounts may be rounded (i.e., hundreds, thousands) as opposed to assuring accuracy to the dollar.

b. Budget Categories, SF 424A, Section B

This Section is a summary of all budget calculations and information for the proposed 12 month budget period.

In column (1) distribute all the costs for the proposed budget among the cost categories, including all non-Federal funds (State, local and other operational funding and patient service revenue) so that the total amount in Section B, column (1), line k equals Section A, column (g), line 1.

In the last column (5) show the total costs for the total proposed project. The total amount stated in Section B, column 5, row k must equal the total in Section A, row 5, column g.

The SF 424A, Section B, row 7 should reflect only the projected patient service revenue, if any for any proposed service delivery activities shown in the column above.

Adequate justification must be presented in narrative form for information relative to the total budget, identifying individual program costs. Narrative justification items should be consistent with the program narrative in the application.

- c. Non-Federal Resources, SF 424A, Section C

Identify each non-Federal resource earmarked for the project.

- d. Budget Estimates of Federal Funds Needed for the Balance of the Project Period, SF 424A, Section E (NEW APPLICATIONS ONLY)

This Section has four columns for the future Federal funding period estimates WITHIN the proposed project period, but FOLLOWING the budget period for which this application requests support.

2. **BUDGET NARRATIVE**

Total project expense information (Federal and Non-Federal) must include further detail by object class. The budget must be provided in sufficient detail to support one-step below the object class category level, as described below.

- a) **Personnel :** itemize key personnel and other proposed staff.
- b) **Fringe Benefits:** Itemize the components that comprise the fringe benefit rate (e.g., health insurance, FICA, SUTA, life insurance, retirement plan).
- c) **Equipment:** Only major (with a cost over \$5,000 per unit) equipment items need to be itemized. Items costing less than \$5,000 should be aggregated with a brief explanation.
- d) **Supplies:** Categorize supplies. Explain how the amounts were developed (e.g., medical supplies were based on 20,000 encounters at \$2 per encounter to arrive at the \$40,000 appearing in the budget).
- e) **Travel:** Itemize travel costs according to traveler type (Executive Director, Project Director, Board, provider for CME, etc.) and explain how the amounts were developed. It is not necessary to itemize each trip or the costs associated with each trip. (Example: CME 12 trips @ \$1,200 each)
- f) **Contractual:** Categorize substantive programmatic or administrative contracts costs according to type (e.g., medical referral, lab referral, management consultant).

- g) **Alteration and Renovation (A & R):** Describe all proposed A&R. Where grant funds are provided they are limited to project under \$100,000 for A&R. Where more than one project is involved, describe project and identify funds.
- h) **Other:** Itemize all costs in this category and explain in sufficient detail. In most cases, consultant costs for technical assistance, legal fees, rent, utilities, insurance, dues, subscriptions, and audit related costs would fall under this category.
- i) **Indirect Costs** (refer to PHS 5161-1, page 21)

Sample Budget Narrative

This sample budget narrative is provided as a broad outline. Additional information may be provided to fully describe your proposal:

Expenses:

PERSONNEL: See Personnel breakdown..... \$5,347,223

FRINGE BENEFITS: Breakout Each portion of Fringe Benefits:
..... Total \$1,109,566
FICA
Retirement, etc.

TOTAL: PERSONNEL & FRINGE **\$6,456,789**

EQUIPMENT

3 PC and related software \$ 50,000

TOTAL: EQUIPMENT..... **\$ 50,000**

SUPPLIES

Office & Printing Supplies \$X.XX per encounter \$
Medical & Dental Records \$.xx per encounter \$
Medical Supplies \$X.XX per encounter..... \$
Pharmacy Supplies including Drugs. \$
X-ray supplies Average per # of X-rays \$
Laboratory supplies per average # of procedures \$
Building and Maintenance Supplies per # of sites \$

TOTAL: SUPPLIES..... **\$1,452,940**

TRAVEL

Providers CME (\$ per FTE)..... \$
Nursing CME.....(\$ per FTE). \$
Other Professional CME (\$per FTE)..... \$
Travel to NACHC (\$ per attendees x # of Trips) \$
 Executive Director (2 meetings)
 Board Chair (2 meetings)
Management & Board \$
 Primary Care Association Meeting
 Other Board/Management Travel
Local Travel (# of trips @ your mileage rate). \$

TOTAL: TRAVEL **\$ 74,795**

CONTRACTUAL (Please describe with enough detail to justify the costs)

Outside Reference Lab	
Smith Kline Beecham for any tests that cannot be performed	\$
in house (Avg # of procedures @ Avg Cost)	
Outside Contract Pharmacies (describe)	\$
(Avg # of prescriptions X Avg Cost)	
GYN/OB Contract with _____ for (what purpose) # of Patients	\$
served	
Ophthalmologist with _____ (Avg # of patients @ Avg Costs)	\$
Subtotal: Patient Care . Contracts	\$

Non-Patient Contracts@

Housekeeping Services with _____ for # of sites	\$
Security Services with _____ for # of hours per	\$
Computer Maintenance Contract	\$
Subtotal: Non-Patient Contracts	\$

TOTAL: CONTRACTUAL.. **\$386,020**

ALTERATION & RENOVATIONS:(describe if applicable)

TOTAL: A/R..... **\$**

OTHER:

ADP Payroll Processing Services	\$
Audit Services with _____....	\$
Legal Fees with _____ fee per hour	\$
NACHC Dues	\$
Building Contents Insurance.....	\$
Telephone Service	\$
Answering Services	\$
Postage	\$
Utilities	\$
Rent (describe).....	\$
Marketing/Outreach	\$

TOTAL: OTHER..... **\$ 68,281**

TOTAL: ALL BUDGET \$8,951,014